



To the Mayor and Members of the City Council

June 16, 2015

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SUBJECT: 15 YEAR BUDGET HISTORY – CULTURE AND TOURISM

In an effort to provide a framework for current and future budget requests, staff is providing 15 years of historical data by department over the next several months. Data includes Fiscal Year 2000 through Fiscal Year 2015.

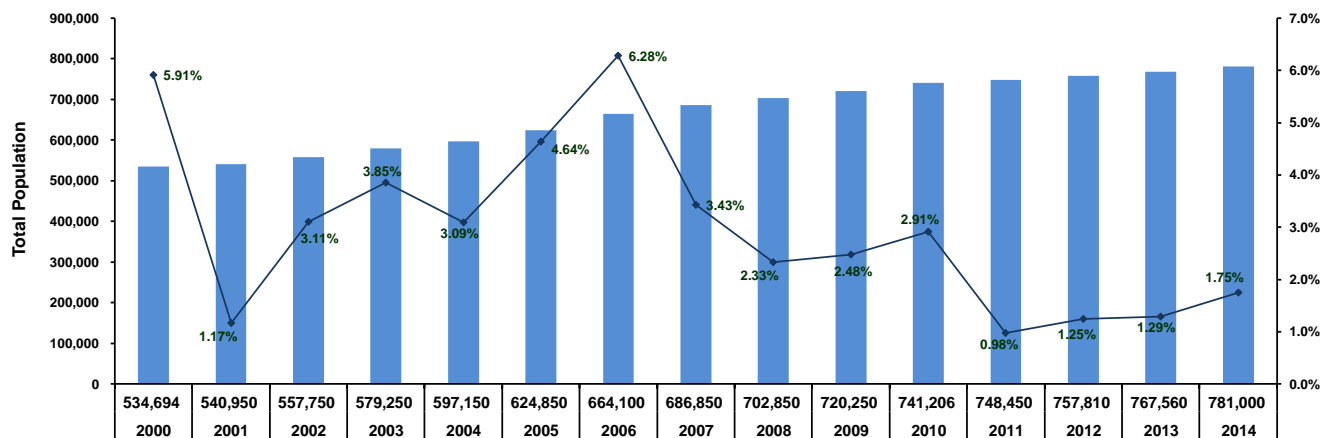
In graph format, the data includes the following components:

1. Population
2. Staffing Levels with Population
3. Square Miles of the City of Fort Worth
4. Adopted Budget with Square Mileage
 - a. General Fund and other funds as applicable

Population

From 2000 to 2015, the population in Fort Worth grew by 246,306 new citizens or about 46 percent. This trend is expected to continue as Fort Worth continues to be singled out as one of the fastest growing large cities both in Texas and America.

Fort Worth Population Growth



Source: North Central Texas Council of Government (NCTCOG)

■ Population ◆ % Change

Square Miles

By comparison, the square mileage in the City grew from 308 to 353 square miles, or 15 percent. The 25 square mile increase from 2002 to 2003 included the annexation of 7,744 acres known as 287 Zone LPA (M&C PZ-2438).

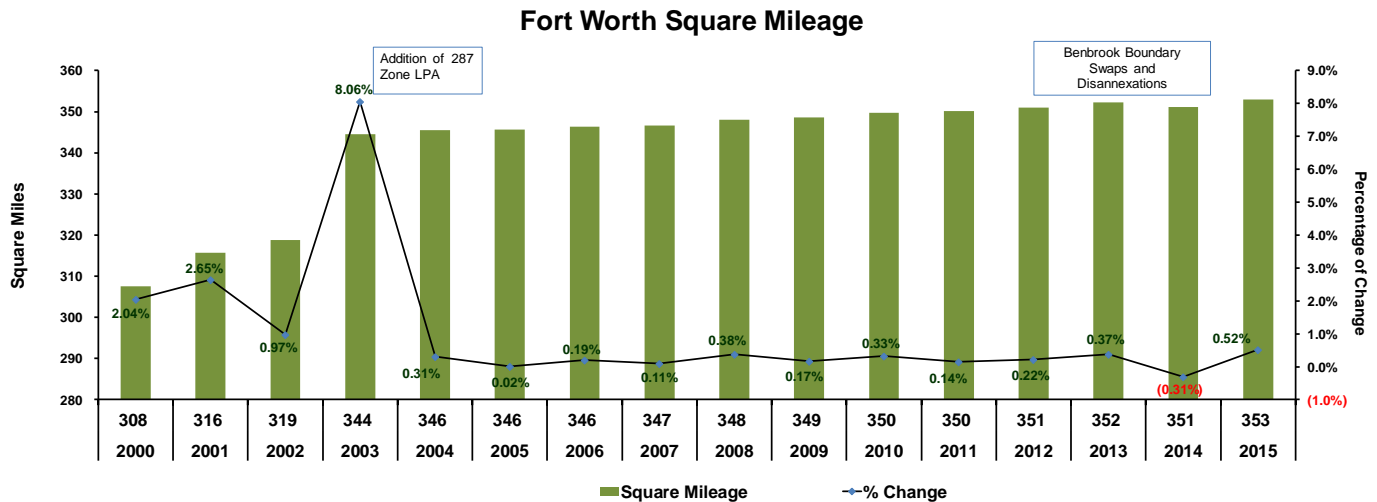
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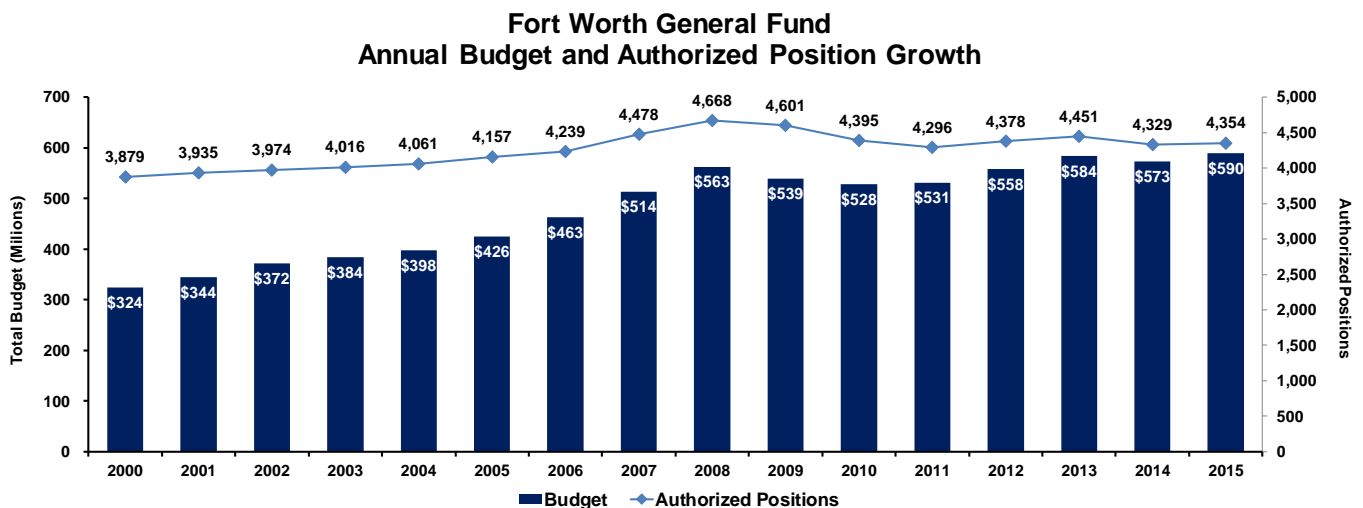


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General Fund Annual Budget and Authorized Positions

The overall growth in population and service area has had its impact on the General Fund total budget and authorized positions. The General Fund adopted budget increased 82 percent from 2000 to 2015, while the authorized positions increased 12 percent over same period.



Impact of Growth in Population and Square Mileage Relative to Budget

Prior to Fiscal Year 2010, the Public Events department was in the General Fund. Culture and Tourism was a separate fund. The following charts, analysis, and discussion were prepared based on combination of the funds over the 15-year period. The Department's authorized positions increased from 123 staff members in 2000 to 133 in 2015, about 8 percent.



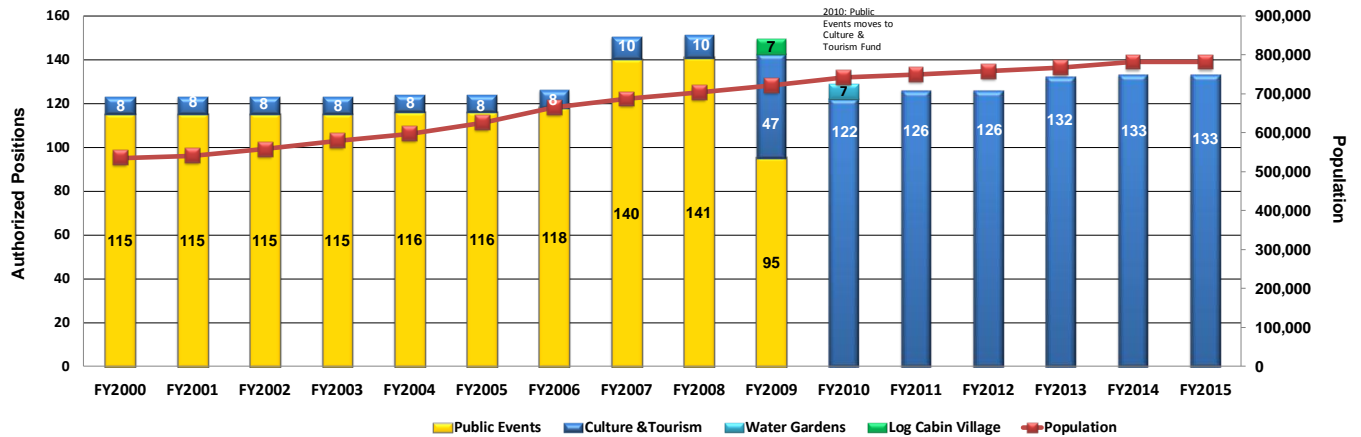
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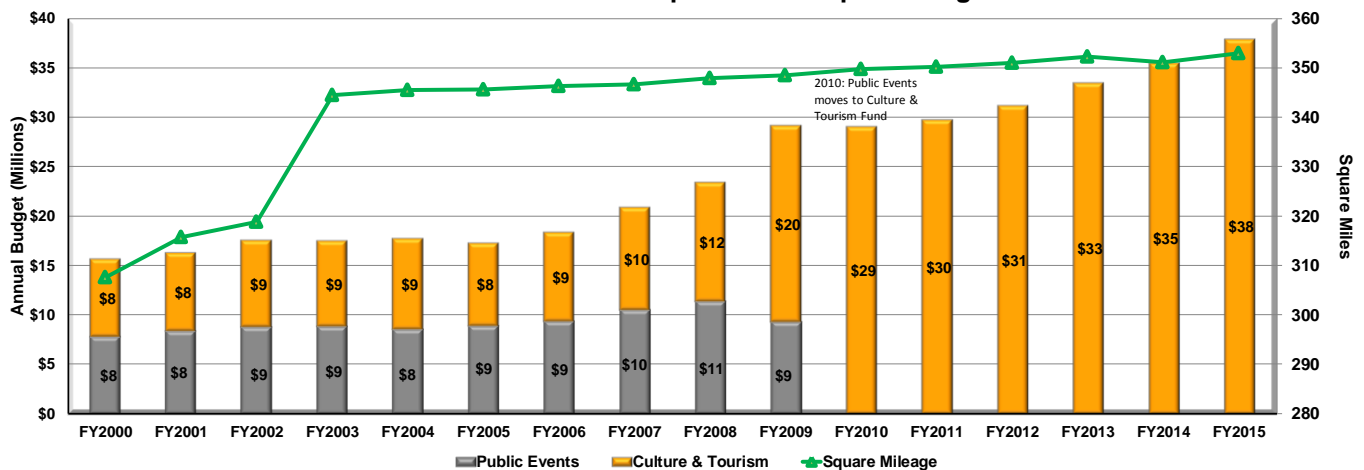
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Culture and Tourism Department Authorized Strength



The annual budget more than doubled from FY2000 to FY2015 resulting from increased contractual obligations with the Convention and Visitors Bureau, and facility improvement, operational and maintenance costs for the Public Events department. The cost of the services provided by Culture and Tourism relative to population increased from \$29,339 per 1,000 citizens in FY2000 to \$48,468 in FY2015.

Culture and Tourism Department Adopted Budget



The Public Events Department was consolidated into the Culture and Tourism Fund in FY2010. Prior to that, Public Events was a General Fund department responsible for the operation and maintenance of both the Will Rogers Memorial Center (WRMC) and the Fort Worth Convention Center (FWCC). The Culture and Tourism Fund is a special revenue fund of the City of Fort Worth, established to provide funding for organizations that enhance tourism and/or promote, develop and maintain cultural activities in Fort Worth. In addition to the WRMC and FWCC, funding is provided for the Convention and Visitors Bureau (CVB) and the Fort Worth Herd. Supporting revenue sources include the

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hotel/motel occupancy tax, the events at each facility and the Dallas/Fort Worth revenue share. Significant changes to the Culture and Tourism Fund, both in authorized positions and budget, are as follows:

FY2006 –Two temporary positions were converted into authorized positions (APs), a sales manager and an administrative assistant. Revenues from the Convention Center parking operations were transferred to the Municipal Parking Fund.

FY2007 –The budget increased \$2M from the prior year for the addition of 9 positions at WRMC and 13 public event attendants at the FWCC to assist with set-up, breakdown, and customer service for events at each facility. Three part-time permanent positions were added to the Fort Worth Herd.

FY2008 –Total positions increased by one for the conversion of a temporary administrative assistant to regular full-time. The budget increased about \$2.5M due mainly to a new contract with CVB for promotional and marketing services and funded by the Hotel Occupancy Tax (HOT) revenues. The City and the Fort Worth Convention and Visitors Bureau (CVB) have entered into a series of Agreements since 1998 for the Bureau to perform professional services for the City for HOT-funded marketing programs and activities. Payment for such services is based on the anticipated revenue from the 7 percent HOT revenues. There was also increased funding to the Van Cliburn Foundation, The Fort Worth Museum of Science and History and the Arts Council of Tarrant County.

FY2009 – There was a decline of 2 positions resulting from the transfer of 7 positions to the Municipal Parking Fund, 1 position to Community Services and the transfer in of 6 positions for the Log Cabin Village staff. There was a budget increase of \$6M primarily due to the transfer of positions and an increase in the debt service for WRMC parking system improvements including construction of a new parking garage.

FY2010 –There was a reduction of 20 positions including field operations crew leaders, administrative assistants, skilled and senior skilled trade technicians, and public events attendants as a part of Citywide reductions based on prioritization of their programs and the 7 positions for the Log Cabin Village were transferred back to the Parks and Community Services Department. An offsetting increase to positions resulted from the transfer of operations of the Water Gardens into the Culture and Tourism fund including 7 authorized positions. Additionally the budget increased \$1M for the facility improvements at both FWCC and WRMC, along with increased funding to the City's Arts subsidies.

FY2011 – Authorized positions declined by 3 due to the transfer of the Water Garden operations (7 positions) to the Parks and Community Services Department, the transfer out of the Herd operations (9 positions) to the CVB, increases of 12 reinstated positions reduced in the prior year and an increase of 1 AP resulting from the conversion of an overage position to a regular position to administer the Outdoor Events ordinance. The budget increased approximately \$1M from the prior year due to increased debt service associated with bonds issued to construct the new Will Rogers Equestrian Multi-Purpose Building. In addition, there were fluctuations in expenditures relating to

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increased facility improvements at the FWCC and WRMC and reductions in costs associated with the transfer of funding for the Arts Council and United Way to the General Fund.

FY2012 – There was an increase to the budget of slightly over \$1M for bond interest payments set by Treasury and a 2% increase in the CVB contract due to a corresponding increase in HOT tax revenues.

FY2013 – Six APs were added for the new Equestrian Multi-Purpose Building. The budget increased by \$2.3M due mainly to the new contract for the CVB based on the increase in HOT tax revenues, funding for capital improvement projects and additional staffing. Highlighted projects include installation of new carpet on the first floor of the FWCC, a new roof on the Amon Carter Building, and numerous additional infrastructure improvements.

FY2014 - One authorized position was added for the conversion of an overage management analyst II position to permanent status. The budget increased \$2M for the CVB contract and facility repair and maintenance costs. In addition, FY2014 marked the initial year that the cost of electricity was charged directly to the department.

FY2015 – The budget increased \$3M mainly for increases in the CVB contract, debt service, facility maintenance, electricity costs, the implementation of a 4% ATB salary increase, as well as reinstatements of transfers to the Risk Management fund related to commercial and self-insured programs, claims and litigation management.

Over the last fifteen years there has been significant growth in the responsibilities of the Culture and Tourism Fund. The addition of the Omni Hotel and other upgraded hotel offerings have supported new business market segments for the Convention Center, which has grown to double the square footage of the original facility. Enhancements to the Will Rogers Memorial Center include rehabilitation and upgrade of existing facilities, addition of the new Equestrian Multi-Purpose Building, new Multi-Purpose Pavilion, new parking facilities, Cattle Barn Renovations and other related infrastructure investments. These enhancements have helped to draw new business to Fort Worth. Budget increases have been primarily related to increased debt service payments associated with the infrastructure improvements and additions. In addition, as hotel/motel tax revenue continues to grow, costs increase resulting from the shared portion of the revenue with the CVB.

Hopefully you find this information helpful. If you have any questions, please call Kirk Slaughter, Director of Facilities & Public Events, at 817-392-2501, or Aaron Bovos, Financial Management Services Director at 817-392-8517.

David Cooke
City Manager